

STATE OF WASHINGTON



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CENTRAL BUILDING
SUITE 650
810 THIRD AVENUE
SEATTLE, WASHINGTON 98104

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

The Financial Examination of
CRISTA MINISTRIES

No. G05-72

)
)
) FINDINGS, CONCLUSIONS,
) AND ORDER ADOPTING REPORT
) OF
) FINANCIAL EXAMINATION

A Domestic Charitable Gift Annuity Issuer. _____

BACKGROUND

An examination of the financial condition of **CRISTA MINISTRIES** (CRISTA) as of December 31, 2002, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). CRISTA holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings and instructions was transmitted to CRISTA for its comments on August 22, 2005. CRISTA's response to the report is attached to this order only for the purpose of providing convenient review of the response.

The Commissioner or a designee has considered the report and the relevant portions of the examiners' work papers.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 7 of the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **CRISTA MINISTRIES** and to order CRISTA to take the actions described in the Instructions and Comments and Recommendations sections of the report. The Commissioner acknowledges that CRISTA may have implemented the Instructions and Comments and Recommendations prior to the date of this order. The Instructions and Comments and Recommendations in the report are an appropriate response to the matters found in the examination.

ORDER

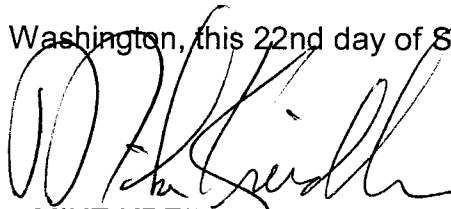
The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

CHRISTA is ordered as follows, these being the Instructions and Comments and Recommendations contained in the examination report on pages 1-3.

1. Pursuant to Chapter 48.38 RCW, CRISTA is ordered to maintain, at all times, an annuity assets or a separate reserve fund adequate to meet the future payments under its charitable gift annuity contracts. Instruction 1, Examination Report, page 1.
2. Pursuant to Chapter 48.38 RCW, CRISTA is ordered to establish an effective reporting system to ensure the Annual Report submitted to OIC is complete and accurate. The end of current year's fund balance, reported in the Reserve Fund Balance schedule of the Annual Report, should agree with the total balances in the annuity investment accounts. Additionally, the names and the account numbers of the firms holding the investments of the annuity reserve funds should be both reported in the General Interrogatories section of the annual report. Instruction 2, Examination Report, page. 2.
3. CRISTA is ordered to consider recording the correct annual payment amount of \$4,800 in Annuity Agreement No. 92. Comments and Recommendations 1, Examination Report, page 2.
4. CRISTA is ordered to consider maintaining adequate documentation of an annuitant's death. Comments and Recommendations 2, Examination Report, page 3.

IT IS FURTHER ORDERED THAT, CHRISTA file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how CHRISTA has addressed each of the requirements of this order.

ENTERED at Tumwater, Washington, this 22nd day of September, 2005.


MIKE KREIDLER
Insurance Commissioner



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Company Supervision Division

CRISTA Ministries Response to Annuity Program Examination as of December 31, 2002

Response to exception 1, Assets of the Separate Annuity Reserve Fund

CRISTA Ministries has corrected this deficit and has been in compliance with this requirement since the deficit was discovered. We have kept a separate account with more than the maximum requirement funded at all times. After making the additional needed investment we received a letter from the insurance commissioner stating that we were in compliance with this requirement.

Response to exception 2, Annual Report, Charitable Gift Annuities Reserve Fund Balance

CRISTA Ministries has been unsure how to file the annual report as the instructions were not clear and complete. During the exam when the requirements were told to us and explained in detail to us we made changes to the reporting mechanism and we are now reporting the correct numbers.

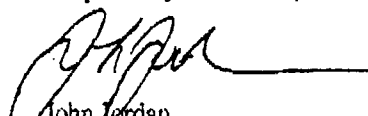
Response to comment & recommendation 1, In-force Annuity Agreements

A corrected annuity agreement with the holder of annuity agreement 92 has been executed and signed by the appropriate parties.

Response to comment & recommendation 2, Documentation of Closed Annuity Contracts

CRISTA is striving to maintain adequate documentation on all deceased annuitant's.

Respectfully Submitted,



John Jordan
VP/Controller